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December 18, 2003

DEC 18 2003

Thomas M. Dorman  
Executive Director  
Kentucky Public Service Commission  
211 Sower Boulevard  
Frankfort, Kentucky 40602

RE: *An Adjustment of the Electric Rates, Terms and Conditions of Kentucky Utilities Company*  
Case No. 2003-00434 ✓

*An Investigation Pursuant to KRS 278.260 of the Earnings Sharing Mechanism Tariff of Kentucky Utilities Company*  
Case No. 2003-00334

Dear Mr. Dorman:

Enclosed please find and accept for filing an original and ten (10) copies of the Joint Motion of Kentucky Utilities Company, Office of the Attorney General, Lexington-Fayette Urban County Government, and Kentucky Industrial Utility Customers, Inc. to Consolidate Proceedings in the above-referenced matters. Please confirm your receipt of this filing by placing the stamp of your Office with the date received on the enclosed additional copy of this letter and return it to me in the self-addressed stamped envelope.

Should you have any questions or need any additional information, please contact me at your convenience.

Yours very truly,

  
Kendrick R. Riggs

KRR/ec

Enclosures

cc: Parties of Record  
293399.01

**COMMONWEALTH OF KENTUCKY**  
**BEFORE THE PUBLIC SERVICE COMMISSION**

RECEIVED

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PUBLIC SERVICE  
COMMISSION

**In the Matter of:**

**AN ADJUSTMENT OF THE ELECTRIC )  
RATES, TERMS AND CONDITIONS OF ) CASE NO: 2003-00434  
KENTUCKY UTILITIES COMPANY )**

**AND**

**AN INVESTIGATION PURSUANT TO KRS )  
278.260 OF THE EARNINGS SHARING )  
MECHANISM TARIFF OF KENTUCKY ) CASE NO. 2003-00334  
UTILITIES COMPANY )**

**JOINT MOTION OF KENTUCKY UTILITIES COMPANY,  
OFFICE OF THE ATTORNEY GENERAL, LEXINGTON-FAYETTE URBAN COUNTY  
GOVERNMENT AND KENTUCKY INDUSTRIAL UTILITY CUSTOMERS  
TO CONSOLIDATE PROCEEDINGS**

Kentucky Utilities Company (“KU”), Commonwealth of Kentucky, ex. rel. A.B. Chandler, III, Attorney General, by and through the Office for Rate Intervention (the “Attorney General”), Kentucky Industrial Utility Customers, Inc. (“KIUC”) and Lexington-Fayette Urban County Government (“LFUCG”), by counsel, move the Public Service Commission of Kentucky (“Commission”) to consolidate *In the Matter of: An Adjustment of the Gas and Electric Rates, Terms and Conditions of Kentucky Utilities Company*, Case No. 2003-00434 with *In the Matter of: An Investigation Pursuant to KRS 278.260 of the Earnings Sharing Mechanism Tariff of Kentucky Utilities Company*, Case No. 2003-00334. The grounds supporting this motion are set forth below.

On September 4, 2003, the Commission initiated its own investigation, pursuant to KRS 278.260, of the revised tariffs filed by Louisville Gas and Electric Company (“LG&E”) and KU to continue their respective Earnings Sharing Mechanism (“ESM”) tariffs for an additional 3-

year term ending December 31, 2005. On November 24, 2003, KU notified the Commission of its intention to seek an adjustment of its electric base rates and tariff terms and conditions.

The consolidation of these two proceedings will facilitate the Commission's review of and decision in these cases. There will be common issues of fact raised in both proceedings, including the allowed rate of return. In addition, the adjustments determined in the rate proceeding may also be at issue in the renewal of KU's ESM tariff. The record in Case No. 2003-00334 will be complete on January 12, 2004. In the interests of administrative economy, to avoid unnecessary duplication of effort, and to prevent the unnecessary expenditure of resources by the Commission, as well as the parties, the movants submit that the consolidation of the above-captioned proceedings is reasonable. This motion is made without prejudice to the positions taken by the Attorney General, KIUC and LFUCG on the merits of the ESM.

For these reasons, KU, the Attorney General, KIUC and LFUCG request that the Public Service Commission enter an order consolidating Case Nos. 2003-00434 and 2003-00334.

Respectfully submitted,



Kendrick R. Riggs  
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Allyson K. Sturgeon  
Ogden Newell & Welch PLLC  
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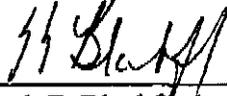
Linda S. Portasik  
Senior Corporate Attorney  
LG&E Energy Corp.  
220 West Main Street  
Louisville, Kentucky 40202

Counsel for Kentucky Utilities Company

Kentucky Industrial Utility Customers, Inc.

By:   
David F. Boehm, Esq.

Commonwealth of Kentucky, ex. rel. A.B.  
Chandler, III, Attorney General, by and  
through the Office for Rate Intervention

By:   
Elizabeth E. Blackford